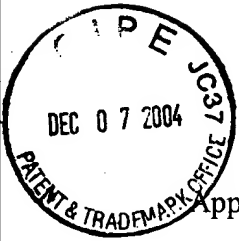


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PATENT



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appellant: Arthur Dale Burns
Serial No.: 09/603,510
Filed: June 26, 2000
Title: STUDENT LOAN CONSOLIDATION QUALIFICATION SYSTEM
AND METHOD OF OPERATION THEREOF
Grp./A.U.: 3624
Examiner: Alain L. Bashore

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

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ATTENTION: Board of Patent Appeals and Interferences

Madams and Sirs:

APPEAL BRIEF UNDER 37 C.F.R. §41.37

This is an appeal from a Final Rejection dated June 2, 2004, of Claims 1-22. The Appellant submits this Brief with the statutory fee of \$ 340.00 as set forth in 37 C.F.R. §41.20(b)(2), and hereby authorizes the Commissioner to charge any additional fees connected with this communication or credit any overpayment to Deposit Account No. 08-2395.

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This Brief contains these items under the following headings, and in the order set forth below in accordance with 37 C.F.R. §41.37(c)(1):

- I. REAL PARTY IN INTEREST
- II. RELATED APPEALS AND INTERFERENCES
- III. STATUS OF CLAIMS
- IV. STATUS OF AMENDMENTS
- V. SUMMARY OF CLAIMED SUBJECT MATTER
- VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL
- VII. APPELLANT'S ARGUMENTS
- VIII. APPENDIX A - CLAIMS
- IX. APPENDIX B - EVIDENCE

I. REAL PARTY IN INTEREST

The real party in interest in this appeal is the Assignee, Student Resources, a Division of The MEGA Life and Health Insurance Company.

II. RELATED APPEALS AND INTERFERENCES

No other appeals or interferences will directly affect, be directly affected by, or have a bearing on the Board's decision in this appeal.

III. STATUS OF THE CLAIMS

Claims 1-22 are pending in this application and have been rejected under 35 U.S.C. §103(a). Each of the pending claims is being appealed.

IV. STATUS OF THE AMENDMENTS

The present Application was filed on June 26, 2000. The Appellant filed a first Amendment on August 9, 2002 in response to a first Examiner's Action mailed on May 9, 2002. The Examiner entered the first Amendment and subsequently issued a Final Rejection that was mailed on November 5, 2002. The Appellant then filed a second Amendment on January 13, 2003. In an Examiner's Action mailed on January 30, 2003, the Examiner raised new grounds for rejection and withdrew the Final Rejection while entering the second Amendment. In a response mailed March 11, 2003, the Appellant requested reconsideration of the Examiner's Action. The Examiner issued a second Final Rejection that was mailed on May 28, 2003, which Final Rejection the Appellant requested the Examiner to reconsider in a response mailed on June 30, 2003. The Examiner issued

an Advisory Action that was mailed on July 25, 2003. On October 28, 2003, the Appellant filed a Request for Continued Examination together with a Preliminary Amendment. The Examiner entered the Preliminary Amendment and mailed an Office Action on January 12, 2004, rejecting the amended claims. The Appellant requested reconsideration of the Examiner's rejection and the Examiner issued a Final Rejection that was mailed on June 2, 2004, which Final Rejection the Appellant also requested the Examiner to reconsider. An Advisory Action was mailed on September 14, 2004, indicating that the proposed amendments had been entered. The Appellant filed a Notice of Appeal on October 7, 2004.

V. SUMMARY OF CLAIMED SUBJECT MATTER

The present invention is directed, in general, to a computer system for student loan consolidation qualification; a computer system for operating a student loan consolidation qualification Internet site; and a method of qualifying a person for consolidation of his or her student loans. The present invention introduces a system that permits a person holding a number of student loans to present data regarding such loans and receive a prompt response as to whether he or she is a suitable candidate for receiving a consolidating loan.

Independent Claim 1 is directed to a computer system for student loan consolidation qualification. The system provides for an input module, embodied in software and associated with an Internet site, that presents at least one page to a loan applicant to assist the loan applicant in providing personal and student loan information pertaining to a plurality of student loans. The system also provides for a qualification module, embodied in software in the computer system, that is associated with the input module, which qualification module assesses the personal information

to determine the personal qualification of the loan applicant and assesses the information pertaining to the plurality of student loans to determine the loan qualification of the loan applicant, the qualification module qualifying the loan applicant and informing the loan applicant and a loan consolidator only if the personal qualification and the loan qualification are positive. (Page 12, line 2 - Page 13, line6).

Independent Claim 9 is directed to a method of qualifying a student for consolidation of his or her student loans. The method provides for an Internet site that presents at least one page to assist a loan applicant in providing personal and student loan information pertaining to a plurality of student loans held by the applicant. The personal information is assessed to determine a personal qualification of the loan applicant and the information pertaining to the plurality of student loans is assessed to determine a loan qualification of the loan applicant. The loan applicant is qualified only if the personal qualification and loan qualification are positive, whereupon the loan applicant and a loan consolidator are so informed. (FIGURE 5; Page 12, line 2 - Page 13, line6; Page 15, line 18 - Page 18, line 5).

Independent Claim 16 is directed to a computer system for operating a student loan consolidation qualification Internet site. The system provides for an input module, embodied in software in the computer system and associated with the Internet site, that presents at least one page to a loan applicant to assist the loan applicant in providing personal and student loan information pertaining to a plurality of student loans made to the loan applicant. The system provides for a qualification module, embodied in software in the computer system and associated with the input module, that assesses the personal information to determine a personal qualification of the loan applicant and assesses the student loan information pertaining to the plurality of student loans to

determine a loan qualification of the loan applicant. The qualification module qualifies the loan applicant and informs the loan applicant and a loan consolidator via a page on the site only if the personal qualification and the loan qualification are positive. (Application, Page 12, line 2 - Page 13, line6).

VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

The Examiner rejected Claims 1-22 under 35 U.S.C. §103(a) as being unpatentable. The issue presented for consideration in this appeal is whether Claims 1-22, as rejected by the Examiner, are patentably nonobvious in accordance with 35 U.S.C. §103(a) over U.S. Patent No. 5,940,812 to Tengal, *et al.*(Tengel), in view of U.S. Patent No. 6,233,566B1 to Levine, *et al.*(Levine) and U.S. Patent No. 5,745,885 to Mottola, *et al.* (Mottola).

VII. APPELLANT'S ARGUMENT

The Examiner rejected Claims 1-22 under 35 U.S.C. §103(a) as being unpatentable over Tengal in view of Levine and Mottola. Tengal describes a loan origination system that matches a loan to a potential borrower via a telecommunications network. The system brings together, via the telecommunications network, potential borrowers and lenders. The loan origination system database secures information from the potential borrower as well as credit related information from at least one credit bureau. The loan origination database also stores the loan acceptance criteria and loan attributes from one or more potential lenders. The system compares borrower attributes with the loan acceptance criteria to determine if a loan may be available to the potential borrower. The loan attributes of available loans are analyzed to determine a ranking, from which the borrower chooses

a loan provided by a selected lender. A loan application is automatically generated from the borrower attributes and sent to the lender for loan approval. (Abstract).

Tengal does not address gathering information from a loan applicant regarding a plurality of outstanding student loans made to the loan applicant. Tengal also does not describe informing a loan consolidator and loan applicant if the loans and applicant qualify for a loan consolidation. Tengal does not address or deal with any facet of a loan consolidation.

Levine does not overcome the shortcomings of Tengal. Levine addresses issues relating to the business of buying and selling financial products. Levine describes an online centralized financial products exchange system to create a "marketplace" for end-to-end financial product life cycle transactions. Levine specifically provides a centralized exchange system for the trading of loans, using a plurality of servers for receiving and providing loan information and a database server for searching to match potential buyers with sellers. The system also provides for a database for storing information relating to negotiations (i.e., bidding) for the sale of loans and for storing pre-set rules for pre-registered buyers and sellers as well as a database and server for storing risk/return information for analysis. (Abstract). Levine addresses transactions by lenders and investors who view loans as a financial commodity to be monetized, traded and sold like any other commodity. Levine does not address and is not concerned with borrowers, much less borrowers seeking to consolidate loans. The system described in Levine is useful to purchasers and sellers of all types of loans, including banks, credit unions, mortgage brokers, investors, and so on. Levine is far afield from Tengal and it is unreasonable to expect one of ordinary skill in the pertinent art to consider Levine together with Tengal. Thus, Appellant questions whether Levine and Tengal should be

combined by the Examiner in determining the Appellant's invention is unpatentable under 35 U.S.C. §103.

Although the Examiner has made an attempt to set forth reasons why a person would be motivated to combine references, the Appellant suggests that the reasons set forth do not rise to a level of specificity required to motivate a person skilled in the pertinent art to combine the two references. Referring to *In re Lee*, 277 F.3d 1338, 61 USPQ2d 1430, 1433-34 (Fed. Cir. 2002), the test set forth therein does not appear to be satisfied. In *In re Lee*, the Federal Circuit stated that:

The need for specificity pervades this authority. See, e.g., *In re Kotzab*, 217 F.3d 1365, 1371, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000) (“particular findings must be made as to the reasons the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed”); *In re Rouffett*, 149, F3d 1350, 1359, 47 USPQ2d 1453, 1459 (Fed. Cir. 1998) (“even when the level of skill in the art is high, the Board must identify specifically the principle, known to one of ordinary skill, that suggests the claimed combination. In other words, the Board must explain the reasons one of ordinary skill in the would have been motivated to select the references and to combine to render the claimed invention obvious.”) *In re Fritch*, 972 F.2d 1260, 1265, 23 USPQ2d 1780, 1783 (Fed. Cir. 1992) (the examiner can satisfy the burden of showing obviousness of the combination “only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references”).

No objective factor has been given that would motivate a person of ordinary skill in the pertinent art to refer to the respective references and then to combine them. There is no teaching or suggestion in either reference that the two references should be combined nor the desirability of such a combination. As stated in *In re Bond*, 910 F.2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990), “[t]he mere fact that ... disclosures can be combined does not make the combination obvious unless the art also contains something to suggest the desirability of the combination.” *In re Imperato*. 486 F. 2d 585,

587, 179 USPQ 730, 732 (CCPA 1973). “The mere fact that the prior art could be modified in the manner proposed by the examiner would not have made the modification obvious unless the prior art suggested the desirability of the modification.” *Ex parte* Dussaud, 7 USPQ1818, 1820 (Bd. App. & Int’f 1986).

The portions of Levine relied on by the Examiner are descriptions of various kinds of loans generally available as an investment commodity for interested purchasers and sellers of loans. Levine does not deal with or suggest any dealings with borrowers or potential borrowers. There is no suggestion or motivation, in Tengal, Levine, or in the knowledge generally available to one of ordinary skill in the pertinent art, to modify Tengal and Levine or to combine any of the teachings therein to arrive at the present invention. Nothing in Levine suggests the system described therein could be usefully employed in any aspect of the debt consolidation business. Levine does not deal with any aspect of a loan qualification system conducted over the Internet. Instead, Levine teaches that the origination of loan products is generally handled through a call center and teaches away from the present invention.

The system described in Mottola also does not overcome the shortcomings in Tengal. Mottola is directed solely to a “method and apparatus for implementing and administering a plan of investments for financing higher education”. (Col. 1, lines 17-18). Mottola does not include loans in the plan of investment nor does Mottola describe or suggest the consolidation of outstanding student loans. In fact, Mottola disparages student loans and uses their perceived shortcomings as justification for its alternative higher education funding plan. Mottola this teaches away from using student loans to finance a loan applicant’s higher education. (Col. 1, lines 15-67; Col. 2, lines 1-13). Mottola is directed solely to a “method and apparatus for implementing and administering a plan of

investments for financing higher education”. (Col. 1, lines 17-18). Mottola does not include loans in the plan of investment nor does Mottola describe or suggest the consolidation of outstanding student loans.

In summary, Tengal describes a loan origination system for matching loans with a potential borrower via a telecommunications network and is directed to the gathering of information with respect to the issuance of new loans. Tengal provides no guidance or insight with respect to the consolidation of student loans or even the combining of existing loans. Tengal does not directly or indirectly address or suggest gathering information from a loan applicant with respect to a plurality of existing and outstanding loans with a view to qualifying both the applicant and the loans for consolidation. Tengal only provides a mechanism for determining if a potential borrower has the financial wherewithal to withstand the burden of incurring a larger amount of debt and does not teach or suggest a system for reducing a borrower’s financial burden by consolidating loans. In addition to not addressing student loans or loan consolidation issues, Tengal also does not address lender contact or interaction with the borrower unless and until the borrower initiates such contact. (Col. 9, lines 60-62). Levine does not overcome the shortcomings of Tengal because Levine addresses issues relating to the business of buying and selling financial products. Nothing in Levine suggests that the system described therein could be usefully employed in any aspect of the lending or debt consolidation business. Levine specifically notes that loan product origination is generally handled through a call center and, thus, teaching away from the present invention.


A person of ordinary skill in the art of lending and loan origination, such as a banker, would not resort to Levine in order to overcome any shortcomings in Tengal. Nor would a person of ordinary skill in the art of purchasing and selling financial instruments, such as a stockbroker, look

to Tengal for teachings or suggestions with respect to financial markets. The respective areas of endeavor are quite distinct. Tengal addresses the field of lending and creating loans by manipulating the loan structure, whereas Levine addresses manipulating a market for investments. It is clear that the two endeavors are each distinct from the other, both as to the necessary skills brought to bear as well as the subject matter itself. A person seeking to consolidate loans would not approach a broker or marketer of loans for such purpose, which aspect of the financial business Levine addresses. By the same token, an investor seeking to acquire outstanding loans to include in an investment portfolio, would not be interested in communicating with a borrower as would a user of the system described in Tengal. The mere fact that isolated facts in references are found to establish a combination does not render the combination obvious unless something suggests the desirability of the combination, which is not the case here. Independent Claims 1, 9 and 16 are, therefore, not obvious over Tengal in view of and Levine and Mottola.

Tengal, individually or in combination with Levine and Mottola, thus fails to teach or suggest the invention recited in independent Claims 1, 9 and 16. Because Claims 2-8, 10-15 and 17-22 are respectively dependent upon one of independent Claims 1, 9 and 16, Tengal in view of Levine and Mottola also does not render obvious Claims 2-8, 10-15 and 17-22. Claims 1-22 are therefore not obvious over Tengal in view of Levine and Mottola. Accordingly, the Appellant respectfully requests that the Board of Patent Appeals and Interferences to reverse the Examiner's Final Rejection of all of the Appellant's pending claims.

Respectfully submitted,

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Dated: Dec 3, 2004

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VIII. APPENDIX A - CLAIMS

1. A computer system for student loan consolidation qualification, comprising:

an input module embodied in software in said computer system and associated with an Internet site, that presents at least one page to a loan applicant to assist said loan applicant in providing personal and student loan information pertaining to a plurality of student loans made to said loan applicant; and

a qualification module embodied in software in said computer system and associated with said input module, that assesses said personal information to determine a personal qualification of said loan applicant and assesses said student loan information pertaining to said plurality of student loans to determine a loan qualification of said loan applicant, said qualification module qualifying said loan applicant and informing said loan applicant and a loan consolidator only if said personal qualification and said loan qualification are positive.
2. The system as recited in Claim 1 wherein said site is associated with an affinity group.
3. The system as recited in Claim 1 wherein said site is a secured site.
4. The system as recited in Claim 1 wherein said personal information includes student loan guarantor information.

5. The system as recited in Claim 1 wherein said qualification module assesses said student loan information to determine whether said plurality of student loans are from more than one lender to determine said loan qualification.

6. The system as recited in Claim 1 wherein said qualification module assesses said student loan information to determine whether said plurality of student loans are guaranteed by a government-sponsored program.

7. The system as recited in Claim 1 wherein said qualification module assesses an aggregate student loan debt of said loan applicant to determine said loan qualification.

8. The system as recited in Claim 1 wherein said qualification module qualifies said loan applicant if an aggregate student loan debt of said loan applicant exceeds a predetermined amount.

9. A method of qualifying a student for student loan consolidation, comprising:
presenting, at an Internet site, at least one page to a loan applicant to assist said loan applicant in providing personal and student loan information pertaining to a plurality of student loans made to said loan applicant;

assessing said personal information to determine a personal qualification of said loan applicant;

assessing said student loan information pertaining to said plurality of student loans to determine a loan qualification of said loan applicant;

qualifying said loan applicant only if said personal qualification and said loan qualification are positive; and

informing said loan applicant and a loan consolidator if said personal qualification and said loan qualification are positive.

10. The method as recited in Claim 9 wherein said site is associated with an affinity group.

11. The method as recited in Claim 9 wherein said personal information includes student loan guarantor information.

12. The method as recited in Claim 9 wherein said assessing said student loan information comprises determining whether said plurality of student loans are from more than one lender to determine said loan qualification.

13. The method as recited in Claim 9 wherein said assessing said student loan information comprises determining whether said plurality of student loans are guaranteed by a government-sponsored program.

14. The method as recited in Claim 9 wherein said assessing said student loan information comprises calculating an aggregate student loan debt of said loan applicant to determine said loan qualification.

15. The method as recited in Claim 9 wherein said qualifying comprises qualifying said loan applicant if an aggregate student loan debt of said loan applicant exceeds a predetermined amount.

16. A computer system for operating a student loan consolidation qualification Internet site, comprising:

an input module embodied in software in said computer system and associated with said Internet site, that presents at least one page to a loan applicant to assist said loan applicant in providing personal and student loan information pertaining to a plurality of student loans made to said loan applicant; and

a qualification module embodied in software in said computer system and associated with said input module, that assesses said personal information to determine a personal qualification of said loan applicant and assesses said student loan information pertaining to said plurality of student loans to determine a loan qualification of said loan applicant, said qualification module qualifying said loan applicant and informing said loan applicant and a loan consolidator via a page on said site only if said personal qualification and said loan qualification are positive.

17. The site as recited in Claim 16 wherein said site is associated with an affinity group.

18. The site as recited in Claim 16 wherein said personal information includes student loan guarantor information.

19. The site as recited in Claim 16 wherein said qualification module assesses said student loan information to determine whether said plurality of student loans are from more than one lender to determine said loan qualification.

20. The site as recited in Claim 16 wherein said qualification module assesses said student loan information to determine whether said plurality of student loans are guaranteed by a government-sponsored program.

21. The site as recited in Claim 16 wherein said qualification module assesses an aggregate student loan debt of said loan applicant to determine said loan qualification.

22. The site as recited in Claim 16 wherein said qualification module qualifies said loan applicant if an aggregate student loan debt of said loan applicant exceeds a predetermined amount.

IX. APPENDIX B - EVIDENCE

The evidence in this appendix includes Tengal, Levine and Mottola. Tengal and Mottola were entered into the record by the Examiner with the first Examiner's Office Action, mailed on May 9, 2002. Levine was entered into the record by the Examiner in the second Examiner's Office Action, mailed on November 5, 2002.